

Message Text

UNCLASSIFIED

PAGE 01 OTTAWA 00904 282301Z

11

ACTION EUR-25

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SPC-03 SS-20

USIA-15 ACDA-19 EB-11 OMB-01 TRSE-00 FEA-02 COME-00

DRC-01 IO-14 /148 W

----- 130881

R 282208Z MAR 74

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 3067

UNCLAS OTTAWA 0904

E.O. 11652: N/A

TAGS: PFOR, US, CA

SUBJECT: EXTAFF SECRETARY SHARP'S TESTIMONY ON US-CANADIAN RELATIONS

1. FOLLOWING IS TEXT OF SHARP'S STATEMENT ON RELATIONS
WITH U.S. IN TESTIMONY BEFORE COMMONS COMMITTEE ON EX-
TERNAL AFFAIRS MARCH 19:

BEGIN TEXT

" MY REPORT TO THIS COMMITTEE WOULD NOT BE COMPLETE WITHOUT
SOME REFLECTIONS ON OUR RELATIONS WITH THE UNITED STATES.
THESE HAVE IMPROVED CONSIDERABLY DURING THE PAST YEAR
AND I SHOULD LIKE TO REVIEW THE REASONS AND THE PROS-
PECTS AHEAD.

"TO OBTAIN THE PROPER PERSPECTIVE ONE MUST LOOK BEYOND
BILATERAL MATTERS. FIRST, THERE HAS BEEN THE RAPID AND
IMAGINATIVE REORIENTATION IN U.S. FOREIGN POLICY SINCE
THE ELABORATION OF THE NIXON DOCTRINE A FEW YEARS AGO.
A POLICY OF NEGOTIATION HAS BEEN SUBSTITUTED FOR CON-
FRONTATION OF THE COLD WAR PERIOD. THE ENSUING
RAPPROCHEMENT WITH THE SOVIET UNION AND THE CONTACTS
WITH CHINA CONTAIN ENORMOUS POSSIBILITIES. AREAS
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 OTTAWA 00904 282301Z

OF DETENTE, DISARMAMENT AND EXCHANGES ARE NOW BEING

EXPLORED ACROSS FORMERLY CLOSED FRONTIERS. TH U.S.
HAS WITHDRAWN FROM VIET-NAM. IT IS DEEPLY ENGAGED
IN BRINGING A PEACEFUL SOLUTION TO THE MIDDLE EAST.
MANY INTERNATIONAL INSTITUTIONS, ARRANGEMENTS AND
RELATIONSHIPS ARE BEING ADJUSTED. THE POST WAR
PERIOD HAS ENDED; IT STRUCTURES ARE BEING MODIFIED
IN WHAT CLEARLY IS A NEW PERIOD.

"THE POSTURE OF THE USA ON MANY INTERNATIONAL ISSUES
IS SIMILAR TO OUR OWN. OUR PERCEPTIONS OF WAHT THE
NEW POLITICAL, TRADING AND MONETARY ENVIRONMENT RE-
QUIRES HAVE MANY POINTS IN PARALLEL.

"SECONDLY, THERE IS THE BILATERAL DIMENSION. THE
INTRODUCTION OF THE NEW ECONOMIC POLICY BY THE U.S.A.
ON AUGUST 15, 1971 HAS PROFOUND EFFECTS IN CANADA.
A NUMBER OF ESSENTIALLY SHORTER TERM ISSUES INTRODUCED
UNCERTAINTIES ABOUT OUR LONGER TERM RELATIONSHIP.
HOWVER, THE CANADIAN RESPONSE HAS BEEN BOTH MEASURED
AND REFLECTIVE. I CONDUCTED A SERIES OF
POLICY STUDIES IN ORDER TO PUT OUR RELATIONSHIP INTO
A NEW PRESPECTIVE. I OUTLINED TO THE COMMITTEE LAST
YEAR THE OPTIONS FACING CANADA. WE HAVE SINCE HAD A
NUMBER OF BILATERAL CONSULTATIONS AT THE MINISTERIAL
AND OFFICIAL LEVEL, INCLUDING THOSE I HAVE HAD WITH
DR. KISSINGER. THESE HAVE HELPED TO CLARIFY A NUMBER
OF ASPECTS OF THE NEW RELATIONSHIP ON BOTH SIDES.

"THIS BETTER CLIMATE HAS ALSO BEEN BROUGHT ABOUT BY
THE RESILIENCY OF THE AMERICAN ECONOMY AND BY THE
TURNAROUND IN THE U.S. BALANCE OF PAYMENTS. THE CON-
SEQUENCE OF THESE DEVELOPMENTS IS THAT THE READE AND
ECONOMIC IRRITANTS OF A FEW YEARS AGO SEEM LESS
IMMEDIATE.

"THERE ARE NEVERTHELESS SEVERAL AREAS OF GREAT IMPORTANCE
FOR BOTH CANADA AND THE UNITED STATES SUCH AS THE
RESOURCE, ECONOMIC AND ENVIRONMENTAL SECTORS, WHERE
THE FORMULATION AND IMPLEMENTATION OF OUR RESPECTIVE
NATIONAL POLICIES WILL NOT NECESSARILY COINCIDE. CLOSE
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 OTTAWA 00904 282301Z

CONSULTATION AND MATURE CONSIDERATION ARE NECESSARY TO
ENSURE AMERICAN UNDERSTANDING OF POLICIES LIKELY TO
AFFECT THEIR INTERESTS.

"ON ONE HAND, THE ELABORATION OF A CANADIAN ENERGY POLICY
MUST, FOR INSTANCE NOT ONLY TAKE OUR OWN LONG-TERM
REQUIREMENTS INTO ACCOUNT BUT ALSO THE CONSEQUENCES OF
THE UNITED STATES' INTENTION TO BECOME SELF-SUFFICIENT

BY 1980. ON THE OTHER HAND, THE CANADIAN DESIRE TO DEVELOP MINERAL RESOURCES AT ITS OWN PACE AND TO ENCOURAGE FURTHER PROCESSING IN CANADA MAY NOT ENTIRELY ACCORD WITH THE UNITED STATES' DESIRE FOR RAPID EXPLOITATION OF KNOWN RESOURCES, AN ACCELERATED PROGRAMME OF EXPLORATION FOR UNPROVEN RESOURCES, AND THE IMPORTATION OF RESOURCES IN INCREASING AMOUNTS AND IN THEIR RAW FORM.

"THE UNITED STATES WILL REMAIN CANADA'S MAJOR ECONOMIC PARTNER FOR THE FORESEEABLE FUTURE. THE TREND, IN FACT, POINTS TOWARD AN INCREASE IN TRANS-BORDER TRADE. FROM THIS, WE CAN EXPECT PROBLEMS TO OCCUR, ALONG WITH THE OBVIOUS BENEFITS. TO ENSURE THAT THE PROBLEMS WILL NOT UNBALANCE OUR RELATIONSHIP, WE SHALL RELY ON THE HABIT OF CONSULTATION AND TIMELY EXPLANATION.

"LIKE RESOURCE AND ECONOMIC POLICY, ENVIRONMENTAL QUESTIONS HAVE A DIRECT AND IMMEDIATE IMPACT UPON THE POPULATIONS OF BOTH COUNTRIES. PERHAPS FOR THIS REASON, CANADA AND THE UNITED STATES HAVE FOR OVER 65 YEARS BEEN INNOVATORS IN DEALING WITH BILATERAL ENVIRONMENTAL PROBLEMS. FROM THE BOUNDARY WATERS TREATY OF 1909, THROUGH THE GREAT LAKES WATER QUALITY AGREEMENT OF 1972, OUR TWO NATIONS HAVE WORKED OUT RESPONSIBILITIES, OBLIGATIONS AND COURSES OF ACTION THAT ARE PRECEDENTS IN INTERNATIONAL TERMS. AS TECHNOLOGICAL CAPABILITY GROWS, AND AS RESOURCE REQUIREMENTS INCREASE, THERE IS AN ACCOMPANYING NEED FOR NEW MEASURES TO PROTECT OUR PHYSICAL AND ECOLOGICAL ENVIRONMENT. THE EXAMPLES ARE MANY: WEATHER MODIFICATION PROJECTS IN ONE COUNTRY THAT COULD AFFECT THE OTHER; TRANS-BOUNDARY AIR POLLUTION PROBLEMS; TANKER TRAFFIC ALONG OUR COAST-

UNCLASSIFIED

UNCLASSIFIED

PAGE 04 OTTAWA 00904 282301Z

LINES; PIPELINES THROUGH THE TUNDRA; THE PROPOSED FLOODING OF THE SKAGIT VALLEY; THE GARRISON DIVERSION PROJECT. THESE CHALLENGES REQUIRE ANSWERS ON THE PART OF GOVERNMENT. IT IS NOT UNEXPECTED THAT IN THE REALIZATION OF CERTAIN JOINTLY AGREED GOALS, SUCH AS THE CLEANUP OF THE GREAT LAKES, WE WILL FACE DIFFICULTIES.

"IN SUMMARY, WE ARE IN A NEW PHASE OF OUR RELATIONS WITH THE U.S. IN WHICH BOTH COUNTRIES ARE ADJUSTING TO NEW CONDITIONS ABROAD AND MORE AFFIRMATIVE NATIONAL POLICIES AT HOME". END TEXT

2. IN RESPONSE TO QUESTIONS ABOUT GOC DIFFERENTIATION BETWEEN POLITICAL ACTIVITY AND TRADE, SHARP SAID GOC

DOES NOT BELIEVE TRADE POLICY SHOULD BE USED TO PROMOTE
POLITICAL ENDS, WITH EXCEPTION OF OBSERVING UN
SANCIONS ON RHODESIA. SHARP SAID, "WE ARE VERY
STRONGLY OPPOSED TO THE POLICIES OF THE U.S. WHICH
IMPOSE SANCTIONS AGAINST TRADE WITH CUBA AND TO SOME
EXTENT STILL ON TRADE WITH CHINA FOR THE PROMOTION
OF POLITICAL PURPOSES". WE ALSO TAKE STRONGEST
EXCEPTION TO USE OF OIL FOR ADVANCEMENT OF POLITICAL
IDEAS OF ARAB COUNTRIES."
PORTER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, FOREIGN RELATIONS, NEGOTIATIONS, COMMITTEE MEETINGS, MEETING REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 28 MAR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974OTTAWA00904
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740068-1120
From: OTTAWA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974038/aaaaagtx.tel
Line Count: 179
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: kellerpr
Review Comment: n/a
Review Content Flags:
Review Date: 29 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <29 APR 2002 by kellerpr>; APPROVED <29 APR 2002 by kellerpr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EXTAFF SECRETARY SHARP'S TESTIMONY ON US-CANADIAN RELATIONS
TAGS: PFOR, US, CA, (NIXON, RICHARD M), (SHARP)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005